GREAT SALT LAKE MINERALS & CHEMICALS CORPORATION
A SUBSIDIARY OF GULF RESOURCES & CHEMICAL CORPORATION
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File ACT/057/002 Hopy to me

DEC 2 8 1982

December 20, 1982



MAX J. REYNOLDS
VICE PRESIDENT OPERATIONS

Mr. James W. Smith, Jr.
Division of Oil, Gas and Mining
State of Utah
Natural Resources & Energy
4241 State Office Building
Salt Lake City, UT 84144

DIVISION OF OIL, GAS & MINING

RE: Little Mountain Mine ACT/057/002
Weber County, Utah

Dear Mr. Smith:

Your December 9, 1982 letter surprised us somewhat in view of prior proceedings, letters, and meetings and can only be based on some basic misunderstandings. Let me explain the history and our understanding of meetings and agreements reached.

On June 13, 1977 GSL filed the original mine reclamation plan including MR Form 2, mining and reclamation phase supplementary sheets, drawings and the property reclamation plan.

In November, 1981 Susan Linner and other members of the staff of the Division of Oil, Gas and Mining visited and toured our facilities and discussed reclamation plans in general.

Your April 5, 1982 letter with attached references and questionnaire recognized the special situation and condition of our operation and requested answers as complete as possible.

After working on the requested information we determined that the detailed questions asked in the various forms did not meet the specific situation of our solar evaporation facilities located on land leased through a mineral lease from the State of Utah and of our processing facilities located on the fee land in a developed industrial park. Therefore, a meeting with the Director of the Division of Oil, Gas and Mining was requested and took place on July 19, with several staff members of the Division present.

It was our understanding of the agreements reached at that meeting that GSL would describe the reclamation plan for ponds and borrow areas in as much detail as seemed necessary and outline why the plant complex is outside the scope of normal mining facilities.

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In our letter of September 2, we submitted the material which met our understanding of the result of the meeting of July 19, 1982.

We agree that the submitted material does not in detail conform with the forms you submitted to us. We do not believe that force fitting either our plans for reclamation to these forms or the forms to our plans will accomplish the intent.

GSL is fully aware of its obligation under the law and is willing to do what is necessary to accomplish the intent and purpose of the law.

We hope that the planned visit of Susan Linner in January will remove the misunderstandings and lead to the necessary information which will allow the Division to approve our mining and reclamation plan.

It has been and is GSL's policy to cooperate fully with all government agencies and to protect the environment and human safety to the extent possible and our relationship with other state agencies shows the success of our effort in this direction.

Overall, I do not believe that the time we have taken to prepare the answers to your request has been excessive in view of the complexity of the issues, our not being familiar with these proceedings and the attention our operation requires to stay viable as tax and wage payer in these economical and weather wise difficult times.

Your patience is appreciated.

Sincerely,

Max J. Reynolds

Vice President Operations

cc: Donald G. Prince, Division of State Lands & Forestry Temple A. Reynolds, Division of Oil, Gas and Mining Cleon B. Feight, Division of Oil, Gas and Mining Ron Daniels, Division of Oil, Gas and Mining Sue Linner, Division of Oil, Gas and Mining Barbara Roberts, Attorney General's Office